



California
TECHNOLOGY AGENCY
Public Safety Communications Office

State Emergency Telephone Number Account Briefing

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State 9-1-1 Advisory Board Meeting
December 12, 2012

SETNA REVIEW

■ Policies

- Alignment with Warren-911-Emergency Assistance Act and the Emergency Telephone Users Surcharge Act

■ Past Practices

- Customer Premise Equipment Replacement Cycles
- Use of State CPE and Foreign Language Interpretation Contracts
- Actual reimbursement costs for travel and training

■ Trends

- Revenues & Expenditures
- Reimbursement data over the last 9 years

CONDITION OF SETNA

0022 State Emergency Telephone Number Account (As of December 2012)

	Actual 2011-12	Projected 2011-12	Projected 2012-13
Adjusted Beginning Balance	\$126,405	\$69,827	\$54,568
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Total Resources	\$184,905	\$153,147	\$163,268
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Total Expenditures and Expenditure Adjustments	\$123,780	\$98,579	\$123,515
FUND BALANCE	\$61,125	\$54,568	\$39,753

*numbers are shown in thousands

METHODOLOGY

- Reviewed Warren-911-Emergency Assistance Act and Emergency Telephone Users Surcharge Act to align reimbursements and expenditures.
- Analyzed Customer Premise Equipment (CPE) reimbursement expenditures, annual accrual amounts, use of residual funds over the last 9 years.
- Compared travel reimbursement costs against State CalHR travel rates

METHODOLOGY (Cont.)

- Evaluated PSAP CPE replacement cycle practice over the last 8 years
- Analyzed the current and potential use of the CalNENA Annual Allotment
- Compared Foreign Language Interpretation Service reimbursement costs against existing State contract
- Reviewed existing regulation for wireless service provider cost responsibility

FINDINGS ON CURRENT PRACTICES

- PSAPs have not been required to submit an annual plan as required by the Emergency Telephone Users Surcharge Act
- Annual accrual funding process allows for expenditures outside the span of what is outlined in law :
 - A basic system
 - A basic system with telephone central office identification
 - A system employing automatic call routing
 - Approved incremental costs
- Current travel reimbursements costs exceed what is allowed by State per diem rates

FINDINGS ON CURRENT PRACTICES

(Cont.)

- Median for PSAP CPE replacement cycle is 7 years
- CalNENA Annual Allotment policy does not allow the use of funds for other 9-1-1 training opportunities
- Most Foreign Language Interpretation Service reimbursement costs exceed State contract rates
- FCC regulation outlines Wireless Service Provider responsibility for costs from their network to the Selective Router.

Next Steps

- Present at the December 2012 State 9-1-1 Advisory Board
 - Member / Stakeholder input provided back to State no later than February 28, 2013
- Conduct Stakeholder Meetings if requested
 - California Highway Patrol
 - California Police Chiefs Association
 - California Sheriffs' Association
 - California Fire Chiefs' Association
 - Association of Public Safety Communications Officials International, Inc.
 - California Chapter Executive Board of the National Emergency Number Association
 - Wireless Service Providers
 - Other Stakeholders

Next Steps (Cont.)

- Proposed implementation date April 1, 2013
- Begin analysis on future structural deficit of SETNA
- Develop formalized process to seek State 9-1-1 Advisory Board advice on PSAP yearly spending plans
- Proactively manage the SETNA

RECAP OF PROPOSAL TO REALIGN 9-1-1 POLICY AND PRACTICES CHANGES CONSISTENT WITH WARREN 911 EMERGENCY ASSISTANCE ACT

Proposal	Description of Changes	Projected Annual Savings
REALIGNS PRACTICES WITH EXISTING LAW	Requires local 9-1-1 dispatch centers to submit an annual spending plan by July 1 of each year.	Cost Neutral
	Provides funding for “incremental” and system costs consistent with statute and sunsets annual accrual funding process.	\$1.7 Million
	Sets maximum travel reimbursements consistent with State rates.	\$156,000
CHANGES PRACTICES	Changes equipment replacement policy to seven years.	\$6 Million
	Provides annual training allotments of \$3,000 and sunsets the California National Emergency Number Association allotment.	Cost Neutral
CHANGES CONTRACT ADMINISTRATION	Sets maximum reimbursement rates for foreign language interpretation services consistent with State’s contract.	\$1.1 Million
WIRELESS SERVICE PROVIDER POLICY	Sunsets the existing Wireless Service Provider Policy.	\$19 Million

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Total Projected Annual Savings: \$28 Million

TIMELINE

DATE	Activity Description
8-29-11	2011-12 Preliminary Fund condition Statement received from Budget Office
9-9-11	Began discussion on approach to address deficiency shown on Preliminary Fund Condition Statement
9-30-11	Submitted Emergency Telephone Users Surcharge Rate Setting for Calendar Year 2012 to BOE
11-1-11	CA 9-1-1 Division researches detailed expenditure allocation
November – December 2011	L.R. Kimball performed a review of the SETNA
12-2-11	Received Fund Condition Statement from Budget Office for 2012-13 that includes prior year, current year and budget year data
January 2012	Governor releases Budget
June 5, 2012	Draft State Emergency Telephone Number Account High-Level Fiscal Review Report provided to State 9-1-1 Advisory Board and voted to assign to Long Range Planning Committee
July 2012	2012-13 Budget Enacted
January 2012 – July 2012	CA 9-1-1 Office performs detailed analysis on SETNA

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